



Department of Justice

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EMH REGIONAL MEDICAL CENTER AND NORTH OHIO HEART CENTER TO PAY \$4.4 MILLION TO RESOLVE FALSE CLAIMS ACT ALLEGATIONS

EMH Regional Medical Center (EMH) has agreed to pay the United States \$3,863,857 and North Ohio Heart Center Inc. (NOHC) has agreed to pay the United States \$541,870 to settle allegations that they submitted false claims to Medicare, the Justice Department announced today.

EMH is a non-profit community hospital system located in Lorain County, Ohio. During the relevant time period, NOHC was an independent physician group located in Lorain County that practiced at EMH. Today's settlement resolves allegations that between 2001 and 2006 EMH and NOHC performed unnecessary cardiac procedures on Medicare patients. Specifically, the United States alleged that EMH and NOHC performed angioplasty and stent placement procedures on patients who had heart disease but whose blood vessels were not sufficiently occluded to require the particular procedures at issue.

"Billing Medicare for cardiac procedures that are not necessary or appropriate contributes to the soaring costs of health care and puts patients at risk. Today's settlement evidences the Department of Justice's efforts both to protect public funds and safeguard Medicare beneficiaries," said Stuart F. Delery, Principal Deputy Assistant Attorney General of the Justice Department's Civil Division.

"Most doctors act responsibly. These few didn't," said Steven M. Dettelbach, United States Attorney for the Northern District of Ohio. "Patient health and taxpayer dollars have to come before greed."

This matter was initiated by the filing of a whistleblower complaint under the False Claims Act (FCA). Under the FCA, private citizens can bring suit for false claims on behalf of the United States and receive a share of the recovery obtained by the government. The whistleblower in this matter, Kenny Loughner, was the former manager of EMH's catheterization and electrophysiology laboratory. As a result of today's settlement, Mr. Loughner will receive \$660,859 of the United States' recovery.

This resolution is part of the government's emphasis on combating health care fraud and another step for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative,

which was announced by Attorney General Eric Holder and Kathleen Sebelius, Secretary of the Department of Health and Human Services in May 2009. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in that effort is the False Claims Act, which the Justice Department has used to recover more than \$10.1 billion since January 2009 in cases involving fraud against federal health care programs. The Justice Department's total recoveries in False Claims Act cases since January 2009 are over \$13.8 billion.

The investigation was jointly handled by the U.S. Attorney's Office for the Northern District of Ohio, the Justice Department's Civil Division, the Office of the Inspector General of the Department of Health and Human Services and Federal Bureau of Investigation. The claims resolved by this settlement are allegations only, and there has been no determination of liability.

The case is captioned *United States ex rel. Loughner v. EMH Regional Medical Center, et al.*, Case No. 1:06-cv-2441 (N.D. Oh.)